South Carolina & Tobacco

A Chapter in America's Industrial Growth

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Tobacco is "king" in South Carolina as it remains the number one cash crop in the state. From the period of the first known settlements in the 17th century tobacco has been closely woven into the economic and social fabric of South Carolina. This booklet presents the record of tobacco in the state and describes its current agriculture and industry.

Tobacco History Series
First Edition

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South Carolina and Tobacco

In 1526, only 34 years after Columbus' first voyage, a Spanish colony of 500 was started near present-day Georgetown, South Carolina. Disease and a bitter winter put an end to this attempt at colonization.

Later, in 1562, Jean Ribout, a French Huguenot, built the colony of Charlesfort on Parris Island. This settlement was later destroyed by Spanish invaders who settled and then abandoned the outpost in 1586.

South Carolina was destined to become a European base in 1629 when a charter was granted to Sir Robert Heath by Charles I. There was no permanent English settlement in the area until 1663 when Charles II gave to eight of his favorites all the land from the Virginia borders to well within the perimeters of Florida. These Lords proprietor were authorized to legislate and govern the territory called "Carolina" and with the aid of the great philosopher John Locke, they wrote the Fundamental Constitutions of Carolina.

An English settlement appeared on Albemarle point on the Ashley River in 1670 and was soon moved to the neck of land between the Ashley and Cooper Rivers. This new settlement was called Charles Town after the monarch who generated its establishment. It was later renamed Charleston, a now busy and affluent commercial port.

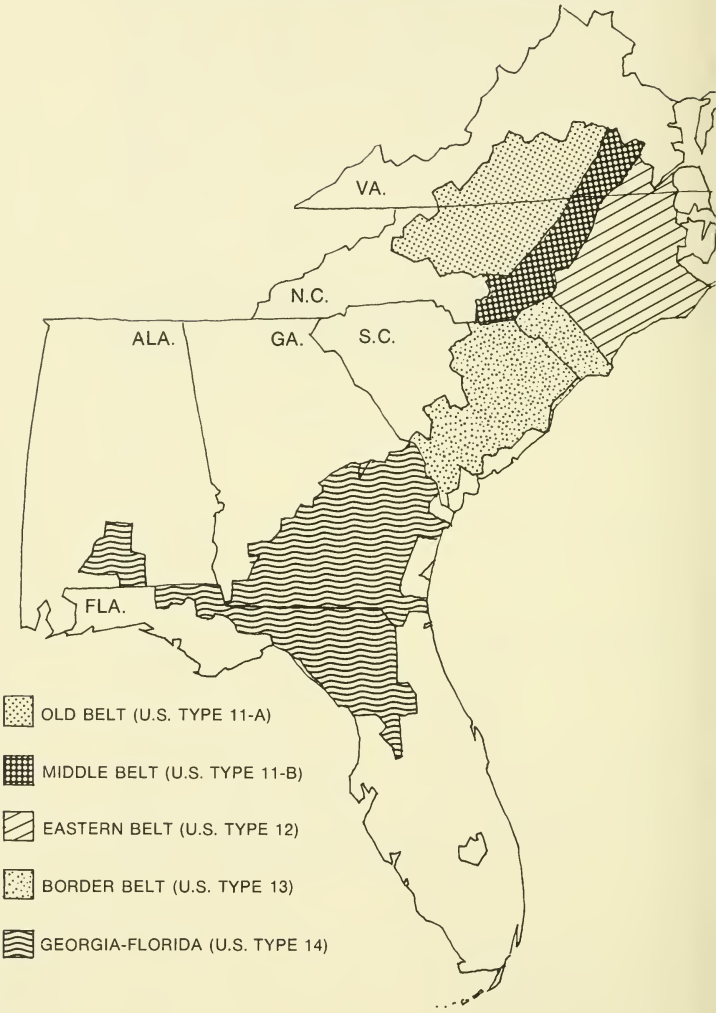
Although rice became the colony's first staple crop, tobacco culture was not uncommon. Throughout the state's history, tobacco grew and grew in importance.

Today, tobacco is the state's number one cash crop supporting thousands of families in farming, marketing, transportation and other industries related to the important tobacco culture.

From the Albemarle settlement to today, tobacco has had an important impact on the economy of South Carolina; an impact so important that it has brought the crop to "number one" in South Carolina—a position that will remain steadfast for a long time to come.

THE TOBACCO INDUSTRY IN SOUTH CAROLINA TODAY

FLUE-CURED TOBACCO BELTS



The abundant fields

Although tobacco cultivation in South Carolina was popular during the colonial period and up to the Civil War, its popularity suffered a temporary setback after the War. It regained its momentum just before the turn of the century and tobacco production in the state has boomed ever since.

South Carolina tobacco, officially called Type 13, grows in the coastal plain or Pee Dee section of the state. A variety of flue-cured, or Bright tobacco, it is the only type cultivated in the state. Not too long ago though, Turkish, or aromatic tobacco was grown in the northwestern, Piedmont area of South Carolina.

Across a good part of the countryside numerous farms grow Bright tobacco for flue-curing. The quantity produced is abundant: 133,632,578 pounds in 1971, grown on 63,000 acres on some 25,000 farms, 90 percent of which are under six acres.

Priming to curing

Mechanization has as yet hardly touched the fields of flue-cured tobacco. The cultural routine, as it has been since colonial days, is dependent on patient labor, skilled eyes and hands. Each farmer will put in anywhere from 300 to 400 hours of labor to produce an acre of tobacco—from preparation of seed beds to harvest to market.

Tobacco cultivation begins in early spring. The tiny seeds are planted in "beds" and covered until seedlings are ready to be transplanted in fields which are meticulously fertilized and well cared for.

The process is a long and time consuming one.

Tobacco requires just the right amount of water—improper drainage can result in total loss.

A single acre of flue-cured tobacco yields 100,000 to 150,000 leaves. Each week, two to four mature leaves are "primed," that is, pulled from each plant. The harvesting period usually runs five to eight weeks. Before it is over the leaves will probably have been examined ten times before they are ready to be primed. This is the standard production routine for Bright tobacco, an essential and laborious chore. After that comes the precise, tedious work of curing the leaves.

As a preliminary to curing, about forty hands of three or four leaves per hand are tied together and strung on sticks and hung in "curing" barns. In the past, farmers burned large logs to create the heat vital to the flue-curing process. Later they used coal and today they use oil and gas. The fuel has changed, but the basic technique has remained the same over a century.

After two or three days and nights of watchful waiting and after the leaves have yellowed, the temperature is increased to "fix the color," and dry out the stems.

A healthy crop he way to maturity arly in the season.

Some South Carolina tobacco farmers are beginning to bulk-cure their crops. The leaf is hung in bales while warm air is forced into the barn through vents. Although this method is growing in popularity, the vast majority of farmers still use the traditional flue-curing method.

From barns to buyers

Once out of the curing barns starting in July, the bright-yellow leaf, sorted and placed onto sheets as loose leaves goes to the market throughout the season which normally ends in the fall. The market opening is marked by intense activity on the part of auctioneers, buyers, warehousemen, truckers and others in the 37 warehouses operating during 1971 in 11 South Carolina markets. Buyers for the major tobacco manufacturers purchase the tobacco and have it shipped to redrying plants in preparation for product manufacturing.

The leaf is a cash crop unlike corn, for example, which the farmer might feed to his cattle. In 1971 tobacco farmers received about $100,283,000 for flue-cured leaf sold in the state. The average price was 75.8 cents per pound. This places South Carolina in the number three position for the amount of tobacco produced in the United States —behind only North Carolina and Kentucky.

Before cured tobacco can be converted into consumer commodities, nature imposes a long sleep upon it, an aging process that improves its flavor and aroma. Huge hogsheads of tobacco, after initial processing of the leaf, are stowed in sprawling warehouses that collectively occupy miles of space in many tobacco manufacturing cities throughout the south.

Flue-cured vs aromatic

Type 13 grows in about half the state extending inland from the coast. The federal government's 1971 acreage allotment for flue-cured came to about 70,000 acres, most of which were in actual tobacco production. South Carolina's tobacco, grown in what is called the Border Belt, has been in great demand for years. Buyers all over "tobaccoland" journey to the state's markets yearly to purchase Type 13.

Flue-cured is a major ingredient in cigarettes. But South Carolina has had another unique type grown in the mountain areas, and although aromatic or Turkish tobacco is no longer grown in the state, it once thrived throughout the northwest in the Piedmont sections.

Turkish grew in abundance after World War II and by 1955, farmers were producing over 100,000 pounds of this special type yearly. Imported from the middle eastern part of the world, Turkish tobacco is another part of the mixture that goes into the making of the cigarette. Although Turkish is nonexistent now in South Carolina, it had an important effect on the history of the industry in the state and will be discussed in a later chapter.

An endless supply

There is an unending flow of tobacco goods across retail shelves. South Carolinians buy tobacco products with the confirmed enthusiasm of other Americans—the largest consumers of tobacco anywhere in the world. A trade estimate of the wholesale value of manufactured tobacco distributed within the state in 1971 is about $54,664,601. Of this total, cigarettes represented over $48 mil-

Harvesting South Carolina tobacco.

Courtesy Cooperative Extension Service, Clemson University

lion. With 19,338 retail outlets selling tobacco products in the state, consumers have ready access to the products of their choice. Total retail sales of cigarettes alone in 1971 came to well over $102 million.

Buttressing the economy

Ever since a federal excise was established on manufactured tobacco, the various tobacco products have been heavily taxed. The tax on finished commodities was first applied in 1862. Cigarettes were included in the tax in 1864. Since the inception of the tobacco excise the total yield to the United States Treasury through June 1971 has been over $60 billion.

The current federal rate on each package of 20 cigarettes is eight cents. It was "temporarily" raised from seven cents in 1952.

Tobacco has supported thousands of people in South Carolina and created thousands of jobs for many years. With the purchase of tobacco as a consumer item, South Carolinians have contributed vast sums of money to the state's treasury. Since 1923 when the first tax on tobacco products

was levied by the state South Carolina's tobacco users have added $293,057,372 to the state's revenues.

The current state excise on cigarettes in South Carolina is six cents per pack. In 1971 gross state cigarette collections came to over $18 million. In addition to the excise, cigarette consumers pay a four percent sales tax on cigarettes which amounts to about two cents per pack.

In all, the tobacco industry is very important to South Carolina. Although there is relatively no manufacturing of tobacco products there, the growth of the plant requires a large labor force both directly and indirectly involved with the cultivation of tobacco. Type 13 has helped support manufacturers in border states where the tobacco is blended into the finest grade cigarettes in the world.

Much more could be said about the tobacco industry in South Carolina. But the facts presented will serve to indicate the paramount place tobacco holds in the state's economy. It took a very long time for the "Palmetto State" to arrive at that position. The history of that achievement is a dramatic one.

Cured Bright tobacco on display after being examined by a Clemson University agriculture extension specialist upon its removal from the curing barn.

Courtesy Cooperative Extension Service, Clemson University

THE HISTORY OF TOBACCO IN SOUTH CAROLINA

A 19th century depiction of Charleston as a busy commercial port.

A thriving settlement

When Charles I made a land grant to Sir Robert Heath in 1629, the area was named "Carolana." Sir Robert failed to exploit his holdings and its name was changed to Carolina when Charles II granted the land to eight Lords proprietor in 1663.

The English settlement on the land between the Ashley and Cooper Rivers, now Charleston, began to thrive when cultivation of rice and indigo became stable. Introduction of trade with local Indians and Negro slavery further insured a successful future for the colony.

Under the leadership of its governor, William Sayle, the colony multiplied in population and affluence. In 1670, one settler wrote to a fellow countryman and praised the land for its wealth and potential:

The Country proves good beyond expectation and abounds in all things as good Oake, Ash, Deare, Turkies, partridges, rabbits, turtle and fish the land produceth anything that is puttin it for wee have tried itt with Corne, Cotton and tobacco . . . which proves very well the lateness of the season considered . . .

Tobacco's good reputation

The settlers came to Carolina with tobacco. Part of the group that settled at Albemarle Point or Charleston, came from Barbados and were already familiar with the tobacco plant. One plantation owner, upon his arrival in the new community in 1672, noted the special interest the Indians there had in tobacco when he wrote: "When we

came a shoare . . . we gave them Brass rings and tobacco at which they seemed well pleased."

Lord Shaftesbury, a backer of the Albemarle settlement, wrote to Sir Peter Colleton, one of its leaders, and commented:

I . . . am glad to find that the tobacco of Carolina gives it soe good a reputation amongst you I was always more confident and am dayly more and more confirmed that it will prove the most flourishing plantation that was ever settled in America . . .

The stage was set for South Carolina. The growth of Charleston continued and other settlements spread throughout the territory. The entire area of Carolina, encompassing present day North and South Carolina, was considered one colonial territory, although it had two governors, until about 1712. At this time the two areas became independent of each other and were referred to as North and South Carolina.

Colonial difficulties

During the same period the Church of England had attempted to control the politics and commerce of the colony. Finding the authority of the Church too depressing, the colonists revolted in 1719 and elected James Moore the Younger governor of South Carolina. Later, the English proprietory was abandoned and South Carolina became a Royal Province.

By 1730, immigration to the Province increased with an influx of settlers from Great Britain, Scotland, Germany and Switzerland.

The prosperity of South Carolina had reached a paramount position in the colonies. Charleston

was a major seaport by mid-18th century and the people of South Carolina were slow to break away from the British. Her commerce was protected by the British navy, her indigo enjoyed a Parliamentary subsidy, her rice was allowed to be exported directly to France, but an instinct for self government made South Carolinians jealous of imperial restrictions.

South Carolina sent delegates to the Stamp Act Congress in 1765 and later to the Continental Congresses. Just before the outbreak of hostilities in the colonies, South Carolina annually was exporting nearly a million pounds of tobacco to Britain and Scotland and receiving about 17,000 pounds of manufactured tobacco back from the British. But in 1775, a revolutionary Council of Safety took over the South Carolina government. The British attempted to recapture Charleston in June of 1776 but they were repulsed at the city's Fort Moultrie.

From the collections of the South Carolina Historical Society

A 1794 engraving of the state house at Columbia.

Charleston, the largest and most prosperous city in the colonies south of Philadelphia, remained the capital and was the city where the first independent state constitution was adopted in the American colonies. The capital was moved to Columbia in 1786, after South Carolina ratified the United States Constitution, and it has remained there since.

Building for the future

South Carolinians had contributed heavily to the war with England. Many great South Carolina heroes emerged from the war, among them Francis Marion, or the "Swamp Fox," as he was then called. Marion's colorful escapades with the British seemed to have been more like fictional tales rather than fact, but he and his brave South Carolina troops justly rank among the heroes of the American Revolution.

After the Revolution much of South Carolina and Georgia adopted tobacco as a staple and introduced regular warehouse and inspection procedures. The "golden leaf" was already booming throughout Virginia and North Carolina. But the invention of the cotton gin held back the growth of tobacco and although there was a good deal of tobacco harvested in the state, planters focused much of their attention on cotton.

In the latter part of the 18th century tobacco markets were established in Cheraw, Columbia, Charleston, Camden and Beaufort. Shipping of South Carolina tobacco to other states and overseas was handled through Charleston. Much of the South Carolina tobacco was sent to Virginia

From the collections of the South Carolina Historical Society

A 19th century street scene in front of Charleston Theatre.

and North Carolina where manufacturing and processing plants were thriving.

After the turn of the century, the political atmosphere in South Carolina began to change. Once a hardy advocate of nationalism and federal power, South Carolina's populace began to champion state's rights. These feelings grew because of the mounting anti-slavery movement in the North and because of the increasing protective tariff on cotton levied by the federal government. Also, slavery proved inefficient to the manufacture of cotton products in South Carolina and Gulf ports for the shipping of the crop were growing at Charleston's expense. Irate over the tariff, the South Carolina legislature passed the Nullification Act of 1832, declaring what it believed to be its sovereign right to declare null any act of Congress found disagreeable to the people. Although the tariff problem was settled by a compromise in 1833, anti-federal feelings continued to rise and became so intense that year during the administration of Andrew Jackson that there was almost an armed confrontation between federal and South Carolina troops.

The dawn of conflict—and disaster

As relations between the South Carolina state government and the federal government were eroding, arguments over slavery further polarized the North and South. The state's economy was thriving and by 1860, South Carolina ranked third in per capita wealth in the United States. Cotton, corn and tobacco ranked high in agricultural products that buttressed the economy. South Carolina was not prepared to let her economic affluence be affected by social and economic sanctions set forth by the federal government.

On December 20, 1860 the state legislature approved the Ordinance of Secession, making South Carolina the first southern state to leave the Union. Ten other states followed suit and formed the Confederate States of America. On January 9, 1861, Southern shore batteries fired on the vessel *Star of the West* which was attempting to deliver supplies to a United States garrison at Fort Sumter in Charleston. Later, Confederate troops bombarded and captured the fort, thus opening hostilities.

Tobacco makes a comeback

The War proved devastating to both the people and the economy of South Carolina. In 1865, General William T. Sherman, with an army of 60,000, cut through the state leaving only ashes behind. Half of the state's agriculture was destroyed, including almost half the tobacco crop. During the years of Reconstruction, tobacco cultivation in South Carolina was negligible. Then, some of the North Carolina manufacturers became

interested in expanding the growth of flue-cured tobaccos and they sent experts into the state to teach South Carolina farmers how to grow it.

This type of tobacco first entered South Carolina in Horry, Marion, Florence, Williamsburg, Darlington, Sumter and Clarendon counties.

A pioneer in the development of Bright tobacco in the Pee Dee area was W. H. (Buck) Daniel who planted his first crop in Mullins, today one of the two largest markets in the state. Born in North Carolina, Daniel enlisted in the Confederate Army in 1861. He was captured and imprisoned in Elmira, New York, until his release at the War's end. He walked back to North Carolina and later moved to the Pee Dee section of the state.

In 1876, Daniel founded the W. H. Daniel Supply Company. He ultimately went on to build the city's first tobacco warehouse and its first redrying plant, and established the Bank of Mullins. He was also one of the organizers of the Merchants and Farmers Bank of Marion—the first bank to make direct loans to farmers in the Pee Dee, to finance raising crops and supplanting, to some extent, the crop lien system and easing the tobacco farmers' financial problems.

Bright tobacco flourishes

Another pioneer in the development of South Carolina's flue-cured crop was Frank M. Rogers. Rogers cultivated a small tobacco crop in 1882 around Florence. By 1884 he had 20 acres and in 1885 he recorded a profit of $9,000. Soon, tobacco flourished as many of his neighbors followed suit and began planting tobacco all over the Pee Dee.

But there were no local markets in the area, and it was inefficient for individual growers to ship their crops to the manufacturing centers to the north. Rogers, therefore, went to Durham, North Carolina, where he met with successful manufacturer James B. Duke and others to seek buyers who might attend a South Carolina market. In 1890, a warehouse operator from Danville, Virginia, R. A. Croxton, came to Florence and with Roger's backing, opened the state's first tobacco warehouse.

Four years later, in Mullins, Buck Daniel opened the Planter's Warehouse. Daniel had hired North Carolina experts to come down to the "Palmetto State" and advise farmers and warehousemen how to handle their crops most efficiently. By 1895 there were 200 tobacco barns around Mullins and a great deal of the crop was being shipped to Virginia and North Carolina.

One Marion County historian described the situation well when he wrote in 1901:

By the year 1900 Mullins' market had three large warehouses, four large and well equipped tobacco stemmeries . . . which employ four or five hundred hands. This has given Mullins an impetus not dreamed of ten years ago. People are emigrating from all parts, houses are not to be had. She has a bank. This spirit animates, actuates and permeates the whole surrounding country.

The extension of Bright tobacco into the area was even uniquely encouraged by a newspaper. The *News and Courier* of Charleston distributed seeds, gave instructions and employed professional demonstrators to advise prospective growers on farm techniques and other information related to

tobacco cultivation. In 1890, South Carolina ranked 19th in production of tobacco. By the turn of the century she ranked sixth among 42 tobacco producing states in the country.

The piedmont yields turkish tobacco

Turkish tobacco, a special aromatic type, is used in the manufacture of cigarettes. Blended with other types, Turkish helps to provide the distinctive flavor of the rich American cigarette.

In 1939, Duke University at Durham, North Carolina, began experiments to see if the southeastern states could grow Turkish tobacco. With the beginning of World War II, it became more difficult to import good Turkish tobacco from Turkey, Greece, Bulgaria and Soviet Russia. As the experiments were intensified, they proved successful, and South Carolinians found the northwestern, Piedmont section of the state ideal for the growth of Turkish or aromatic tobacco. Some additional amounts of it were grown on the coastal plains.

Planting of Turkish in the American southeast was largely experimental until the late 1940's and early 1950's. In 1947, for example, aromatic was cultivated in six South Carolina counties on only 20.5 acres. Farmers produced about 25,500 pounds that brought more than $19,000. By 1955, the growth of aromatic spread to 18 counties. It was planted on about 200 acres which produced nearly 150,000 pounds valued at $106,500 to the farmers.

Since then, however, overseas sources regained preference, and virtually no Turkish tobacco is grown in South Carolina today.

Manufacturing enters the scene

In 1900 it was reported that there were six establishments making cigars and cigarettes in South Carolina with a capital of $12,510. The value of manufactured products that year came to $31,550. In 1905 there were seven such establishments with a capital of $699,296, employing 500 people and using $108,289 in materials. The value of products manufactured that year came to $257,078. In 1907, one plant turned out $378,000 in manufactured goods. For a while it seemed as if the tobacco manufacturing business would thrive in the state. But competition to the north proved so strong that manufacturing and processing of flue-cured were left mostly to Virginia and North Carolina.

Strong and sturdy

Well before World War I, tobacco became a leading industry in South Carolina. In 1907, Hartwell M. Ayer, a member of the state General Assembly from Florence, filed a report with the United States Department of Agriculture and said:

South Carolina tobacco has won its place in markets of the world. It has been growing in favor rapidly for some years, and is now being especially advertised by foreign houses for their trade as the most pleasing of all tobaccos. It is understood that fully 75 percent of this tobacco is used at home . . . it has been in great demand all over the country. It is used for wrappers and cigarettes and cut plug, which is year by year becoming more and more in demand. It has both beauty of

color and body which makes it the most desirable weed on the market . . . it has a place all its own and that is at the top of the list. It will sell high when other tobaccos do not.

1907 was truly an impressive year for South Carolina's tobacco farmers. Over 26 million pounds of flue-cured were produced on 27,000 acres and were sold for almost $3 million, at an average 10.75 cents per pound. James Wilson, U.S. Secretary of Agriculture from 1897 to 1912, rode through South Carolina from the coast to the Piedmont and said: "No section of the world offers such inducements for diversified farming."

Allotments and acreage control

Despite its growth, there was very little stability in the tobacco industry in South Carolina and elsewhere until acreage control was introduced in the late 1930's. Over-production could cause prices to dive to a deplorable level. Congress approved an allotment program to limit tobacco acreage and to support tobacco prices. This resulted in a more regulated and controlled crop. Farmers were growing better quality tobacco at a higher rate of production per acre. In return, the price of tobacco became stable and increased yearly.

Mild tobacco for cigarettes

In the early days of tobacco production in South Carolina, the primary emphasis in farming was on the production of high flavored tobacco especially for adaptation to the manufacture of plug or chew-

ing and pipe tobacco. As production spread to the lighter soils of the southeast, and the use of "tailormade" cigarettes became more popular, in the 1930's and 40's, the market demand shifted to the mild types of tobacco best suited to cigarette manufacture.

The increase in yield per acre as well as improvement in quality has progressed throughout the years. The general adoption of better plant production practices, improved cultivation, the use of better and more efficient fertilizers and disease and insect deterrents along with the better varieties produced from the 1930's to date, have caused Type 13 tobacco to become recognized as among the best in the entire tobacco belt.

South Carolina has come a long way from the tiny Albemarle settlement to today. The state produces more flue-cured tobacco than any other area in the United States with the exception of North Carolina. Tobacco and related industries have created jobs and have been the source of the livelihood of thousands of South Carolinians over the years.

For South Carolina, the "golden leaf" is paramount to all other forms of agriculture within the state. It took a long time for tobacco to gain that foremost rank. And as far as South Carolinians are concerned, tobacco will be around for a long time to come.

Data on the current tobacco industry in South Carolina have been supplied by the Cooperative Extension Service of Clemson University, Agriculture Experiment Station, Florence, S.C.; Economic Research Service and Agriculture Marketing Service, United States Department of Agriculture; and the Tobacco Tax Council, Richmond, Va.

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Material on the history of tobacco in South Carolina came from *The Shaftesbury Papers*, Vol. V, South Carolina Historical Society (1897); *Tobacco and Americans*, Robert K. Heimann (1960); *The Story of Tobacco in America*, Joseph C. Robert (1967); *The Bright Tobacco Industry*, Nannie May Tilley (1948); Mullins, *The City of Opportunity*, published by the Mullins, S.C. Centennial Commission, Inc. (1972); *Growing Flue-Cured Tobacco in South Carolina*, Circular 287, Clemson University Cooperative Extension Service (1969); *Aromatic Tobacco Production Practices and Requirements*, D. E. Crawford, Clemson Agricultural College (1967); *Ramsey's History of South Carolina*, David Ramsey, M.D., Volumes I & II (1858); *Statistics of South Carolina*, Robert Mills (1826); *The Production of Tobacco*, W. W. Garner (1946); *Handbook of South Carolina*, State Department of Agriculture, Commerce and Immigration (1907). Other information on the history and current data concerning tobacco and South Carolina were obtained from various circulars published by Clemson University in cooperation with the United States Department of Agriculture.

The quotations on p. 13 are from *The Shaftesbury Papers* as is the p. 14 quote, the quote on p. 20 is from the Mullins' Centennial booklet, *A History of Marion County*, W. W. Sellers (1901); the p. 22 reference to South Carolina tobacco is from *Handbook of South Carolina* as is the James Wilson quote on p. 23.

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